



Our ref:

ETHERIDGE SHIRE COUNCIL

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... a part of the **GULF SAVANNAH REGION**

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26 September 2013

Hon. Warren Entsch MP
Member for Leichardt
PO Box 14
BUNGALOW QLD 4870

Dear Warren,

RE: SHIRE OF ETHERIDGE PROJECTS.

Further to your comments at the GSD dinner on 24 September, 2013, I thought I would take the time to advise you of the current projects and concerns that are affecting Etheridge Shire and may have some relevance in relation to your development of the 'White Paper' for Northern Australia.

Council has adopted a 4 pillar approach to identify its goals for the Shire; these are:

Water
Roads
Communication
Services/Tourism

These identify broadly the issues that are of greatest concern to our communities; not just in terms of quality of life but also the commercial and future development that will lead to the sustainability of our Shire and the future for our next generation.

A brief snapshot of our shire is as follows:-

Our Shire's Profile

Council acknowledges the **Ewamian** People as the Traditional Owners of most of the lands and waters within the Etheridge Shire. The **Tagalaka** and the **Gugu Badhun** Peoples also claim a connection to a small portion of the Etheridge Shire.

909 people

Area: **39,323km²**

2.3% of the total area of Queensland

Council's Profile

budget of **\$28.274million**

Mayor and 4 Councillors

\$138.895million in assets (written down value)

1,781km of roads and **476** floodway's and culverts

269 water connections

17.4 – 31.4 average minimum and maximum daily temperature

734mm average rainfall per year

Value of Agricultural Production
\$43.7 million

1 world class mineral collection

maintained **3.94** hectares of park

and **6,685** hectares of reserve land

173 tonnes of waste collected

managed **1** childcare centre

managed **5** aerodromes

maintained **4** landfill sites

managed **1** student hostel centre

567 rateable properties

net rate income **\$2.432** million

Projects and Issues

I-FED

This is a drip irrigation project that will encompass more than 77000 ha of land that will be used for the production of sugar cane and guar. From these crops they will produce a bio mass that will produce power in excess of their needs to run a sugar mill, guar processing plant, ethanol production, a meat processing plant using local cattle and cannery for meat export. This is a fully integrated project of immense scale and will take water from the Einasleigh River at peak flow to supply 4 years of off stream storage. In comparison, the Ord River scheme has just released a second stage of 15000ha making it a total land use of approximately 37000ha. The area of this project extends across the entire Shire from the Van Lee Station in the northeast to the western extreme of the shire at Chadshunt. They will require a permanent workforce of approximately 800 staff with about 1500 in the construction phase. Council anticipates that the population of Georgetown will increase from 250 people to 1500 within 5 years. Naturally this will impact our town and infrastructure and increase the demand for water and social infrastructure as well.

Charleston Lake

Georgetown currently takes its town water supply from the bedsands of the Etheridge River. Upstream, the Delaney River, that flows past Forsayth, joins the Etheridge. Forsayth takes its water from a small dam above the town and is currently on severe restrictions with the water level in the dam dropping significantly. Council expects to be carting water for the town by the beginning of October 2013.

Due to the future demand for water in Georgetown and the insecure supply to Forsayth, Council intends to build an earthwall dam on the Delaney River approximately 6 kilometres from Forsayth near the old Township of Charleston. Council will then pump water to Forsayth and supplement the flow in the bedsands of the Etheridge River to guarantee the supply for Georgetown. The dam will also become a source of water to assist surrounding Cattle properties during drought and the surrounds of the dam will be developed into camping and recreational activity areas to encourage tourism and support the local communities.

INFIGEN Wind Farm

Council has been processing the application from INFIGEN to develop a wind farm between Forsayth and Einasleigh on the Newcastle Range. The proposal allows for 24 towers 100 metres in height and has the full support of all communities and the Shire Council. The ILUA has now been agreed and INFIGEN is trying to sell the power it will generate before they can commence construction. Samsung

in Korea are the financiers of the project. A power line running from Townsville to the Gulf currently exists and runs past the site of this development.

Power

The power line that runs from Townsville to the Gulf suffers from 'brown outs' and is not a reliable source of power in the wet. This manages to destroy a significant number of appliances particularly in Normanton. Hence the need for a reliable source of power to meet the needs of development will eventually become an absolute necessity, particularly if the irrigation project goes ahead and population increases.

This power line is a three phase line that will be vital to assist with the development of the Gilbert River irrigation as currently all irrigation is run on diesel pumps making operations expensive.

The Gulf Savannah Development organisation, has approached ERGON to look at putting a sub-station on the Gilbert to distribute the power to the properties along the river to enable further development and diversification of the rural industry in this area. ERGON advised that they required \$25000 to **prepare** a quotation for us to establish the substation and then the costs of construction and reticulation would be on a user pays basis. Naturally this will never happen.

At the end of the line in Normanton, a private person is developing a system of solar power farms that could supplement every community in the Gulf. However, again he would need significant Government support from both State and Federal Governments but the cost of reticulation would be significantly reduced if it could be fed into the main existing lines.

Gilbert River Development

For nearly 15 years, Council has proposed the development of the Gilbert River precinct as a diversified agricultural area. Initially it was intended to build a dam at Greenhills to harness the flood water to sustain a variety of cropping along the Gilbert River flood plain properties. The vision allowed for crops such as Bananas, citrus, mangoes, rice, peanuts, fodder crops, sandalwood, cassava, to be grown in conjunction with the grazing industry currently in place on the properties along the river. The problems that have arisen encompass the release of extra water licences (reliant on the review of the Northern Water Resource Plan), convincing landowners to see the opportunity, the issue of sub leases off Grazing leases etc. There is also the review being undertaken by CSIRO that was commissioned in conjunction with the Flinders Catchment, by the previous Government. This report will be released in December this year.

The land owners are not really in a position to fund this expansion, so it will require external funding as well as having to meet the power and water storage issues currently controlled by the State Government.

Communication

The only areas you can obtain mobile phone service in our shire is at Mt Surprise and Georgetown. Sporadic elevated areas sometimes allow for access dependant on weather. In remote areas the issue of communications is vital for safety of property operations, tourism and road safety. Internet is available but again is not always adequate depending on the system used. Access to NBN would open up the opportunities in the Gulf even just for online business establishment. Satellite TV is available via the VAST system and analogue TV will soon be shut down.

Tourism

Like all Shires, Council has experienced the growth in the Grey Nomad Tourism industry. This has enabled the development of private tourist attractions such as Undara Lava Tubes, Cobbold Gorge and Council's own Terrestrial Centre. Smaller businesses around accommodation, fossicking, tours and camping have also developed to accommodate this increase. Council is also on the Board of the Savannah Way tourism organisation and actively participates in this initiative.

However, whilst these businesses bring money into the Shire, Council is not yet in a position to obtain funding from these businesses or the travelling public. The end result is a significant impact on our tourist roads with no ability for Council to fund the maintenance and upkeep of these roads.

Land Tenure

Generally the shire is covered with Grazing leases that are renewed as required thus facilitating families to remain on these properties for up to 100 years in some cases. This has in the past caused problems with succession planning by not being able to separate conjoined properties that were once considered unviable as a single property. With improved farming practices, families are running each of these properties as a business and have only just got the right to separate them and operate them independently.

The other issue for us is mining leases that have in the past been allowed over roads. Unfortunately a significant amount of our constructed roads are not on road reserves and as such are in danger of being mined with Council having to face significant costs to replace those roads if a compensation agreement has not been entered into. Unfortunately, Council has not had an opportunity to input in the past on the issue of these mining tenements when a lot of these concerns could have been resolved.

James Cook University

Council hosted a visit by James Cook University dignitaries and staff at the beginning of this year to ascertain if there was a possibility for Council and the university to work in a partnership that would highlight the opportunity the Etheridge Shire has whilst providing a close "on the ground" experience for students and staff alike. The intent from the Shire's point of view was to encourage students to undertake doctorate studies, provide access to rural industry skillsets, and develop a relationship that would enhance the JCU students' experience. We believed we could offer additional work in the areas of geography, geology, mining, rural studies, tourism, cultural history both white settlement and indigenous and languages.

The University appeared quite impressed and hadn't been aware of all things we offered when we packaged it up for them. It also helped them to realise the opportunity to develop a relationship with a Shire that was not all that far from their base in Cairns. We believe we have something to offer the overseas student with real life experiences whilst we as a Shire would get feedback and a flow of funding opportunities into our Shire.

This matter is ongoing.

Use of Tax credits

Council would like to support the rural industry in its bid to have Tax credits used to reduce debt within the rural sector. I understand the plan is to take credits that rural industries accumulate via their tax returns and transfer them to the Banks in exchange for reducing a particular property's loan debt. This would reduce the banks tax commitment, reduce the crippling debt against rural properties and free them to expand or sell their properties and reduce the number of properties that will be taken over by the banks.

